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FOREIGN SERVICE DESPATCH

COPY NO. 1 - SERIES A

FROM : EMBASSY, Taipei

TO : THE DEPARTMENT OF STATE, WASHINGTON, D.C.

REF : Dept. A-67, August 24, 1956

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DEPARTMENT OF STATE
REVIEWED BY
DATE 7/9/8

SUBJECT: Chiang Ching-kuo's Power Position

Following are the reporting officer's comments raised in Department's Instruction, together with some general comments:

1. a. What influential figures are regarded as hostile to Chiang Ching-kuo?

The reporting officer of the Embassy knows of but few influential figures except his father, President Chiang Kai-shek, who are not antagonistic to Chiang Ching-kuo. His chief antagonists apparently are Vice President Chen Cheng and Madame Chiang Kai-shek. Prime Minister O.H. Yui, some members of the Executive, Legislative and Control Yuan are also antagonistic. Chief of the General Staff, General Peng Meng-chi, who reportedly owes his present position to Ching-kuo, is also believed to be antagonistic, but appears to be following an independent role, endeavoring to line up support for himself.

b. To what lengths are they likely to go in opposing him?

It is impossible to state definitely to what extent these persons would go in opposing Chiang Ching-kuo. So long as his father is able to control him, as at present, they probably feel that action against him is unnecessary. Should the father try to impose him on them, or should he himself try to increase his power appreciably, they might in desperation take radical measures. The position of Peng Meng-chi, who presumably controls the armed forces, is unclear in this picture because of his alleged personal ambitions. It is likely, however, for the sake of respectability, that he would refrain from lining up with Ching-kuo.

2. a. To what extent are persons opposed to Chiang Ching-kuo partisans of Vice President Chen Cheng?

The majority of those opposing Ching-kuo are nominally (for constitutional succession reasons) supporters of Chen Cheng. Chen's partisan group is probably rather small. He has nevertheless pretty well consolidated his position in the Government and in the armed ser-

PW Meyer/ahm
KLR Rankin
REPORTER

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vices. His position is not so strong in the Kuomintang where Ching-kuo has infiltrated his men into strategically important (but not prominent) positions.

b. In view of Chen's poor health and apparent inability to challenge Chiang Ching-kuo, is opposition to Ching-kuo likely to coalesce about any other individual or faction?

Although it is true that Chen does not enjoy good health, it is not true that he is unable to challenge Ching-kuo. He challenges him constantly and apparently with success. Stated obversely, Ching-kuo has been singularly unsuccessful in challenging Chen. However, should Chen predecease President Chiang, rapid realignment of opposition groups could be expected.

General Sun Li-jen was the only other person around whom opposition to Ching-kuo might have coalesced. He is now a political prisoner of the President, similar to Chang Hsueh-liang. It is possible that the United States might have helped save him in the beginning, but we were at that time unwilling to take any step in that direction. To all intents and purposes Sun has been removed from the political scene.

The only other person with sufficient vigor and prestige around whom opposition could now coalesce is General Chou Chih-jou. He is Secretary General of the National Defense Council of which Ching-kuo is Deputy Secretary General. He is forceful, knowledgeable, and commands the respect of almost everyone. However, there is considerable doubt that he could command sufficient support to form a coalition.

3. Are there any indications that President Chiang may not desire Chiang Ching-kuo to increase his political strength at this time?

Ching-kuo's principal and perhaps only important supporter in the Government is his father. His father can increase or decrease his support as he wishes. There is no indication that the father wishes to decrease that support at this time. President Chiang appears, in accordance with his consistent political policy, to be using Ching-kuo and his organizations to counterbalance the influence of Chen Cheng and his group, and vice-versa. Chinese have stated to the reporting officer that if President Chiang were grooming Ching-kuo as a successor, it is unfortunate that he was permitted to associate himself with secret police activity, which all the people hate. This puts a limit on the amount of political strength the President might accord him at the present time, and it is possible that the President is aware of this.

Chinese informants also state that it is natural and normal for

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a Chinese father to wish his son to succeed him in any profession. There is no indication thus far that in this case the father has intentions that would go contrary to this long-standing Chinese principle. About as much as can be said at this time is that the father is not imposing his son upon the Chinese body politic for the present. The son is useful now to the father as a counterbalance to Vice President Chen's clique in the political game as the father likes to play it.

4. a. Who are Ching-kuo's most influential supporters?

As stated above, Ching-kuo's principal influential supporter is, of course, his father, President Chiang. There may be others of whom the reporting officer has no knowledge. His other known supporters are for the most part people in his own organizations, or people who are beholden to him for some reason. As one Chinese put it in a recent conversation with the reporting officer: Ching-kuo's supporters come from the lower two-fifths of the people (graded for character and respectability); the upper three-fifths support the President and the Government.

b. Who are his most influential opponents?

1. Madame Chiang.
2. Chen Cheng.
3. Top officers of the Kuomintang.
4. Heads of the Yuans and Cabinet Ministers.
5. Opposition party groups and liberals.
6. Former followers of Sun Li-jen.

c. To what extent are members of each group likely to acquiesce in unconstitutional activity on behalf of Chiang in a succession crisis?

A succession crisis in which Ching-kuo would attempt to seize power might possibly result in the detention of Madame Chiang, Chen Cheng, Sun Li-jen and Chang Hsueh-liang (to remove the latter two possible rallying points for the opposition). Possibly also Peng Meng-chi, Chief of the General Staff. If that should occur, there would be no alternative for those that were left except to acquiesce. Many astute Chinese believe that this is what is likely to happen when the President dies.

The Ambassador and other officers of the Embassy, anticipate the likelihood that there will be a normal constitutional succession upon the death of President Chiang followed, after a time, by a struggle for power between Chen Cheng and Ching-kuo. The possibility of immediate violent action by Ching-kuo should, however, not be overlooked.

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General Comment:

The Chinese informants referred to in this despatch from whom some of the information and comments were obtained are old friends of the reporting officer, and were at one time or another engaged in Chinese intelligence work. One of them

[REDACTED] from his personal knowledge of Ching-kuo and of his organization and methods, predicts that there will be chaos when President Chiang dies. He and others also mention the possibility that Ching-kuo would be capable of turning over the Island to the Communists in return for a high position in the Red Government. Ching-kuo's training and methods are Communist, so he would have little difficulty fitting in, and his presence in the Peking Government would be a distinct asset to the Communists. Lacking popular support for his regime on the Island, it might be necessary for him to call on the Communists for their support. He is doubtless aware that he could probably not count on American Government support for the kind of a regime he would establish here.

It is just as possible for Chinese observers to be wrong about what will happen on the demise of the President as American observers are likely to be. In any discussion of Chiang Ching-kuo, their views, however, are worthy of note. In this connection reference is made to the newspaper interview of Ambassador Rankin in Singapore on September 2 when, in reply to a question by a reporter, he stated that he discredited rumors that Ching-kuo had intentions of conducting negotiations with Chou En-lai some months ago. As of possible interest, there is attached a copy of a letter dated August 28, 1956, from Mr. Hackler of the Embassy in Tokyo to the reporting officer, transmitting unevaluated reports of negotiations between Ching-kuo and the Chinese Communists.

Ordinarily one would say that where there is this much smoke there must be some fire. A lot of the "smoke" has been produced by the Communists themselves with the intent of weakening the Government on Taiwan. However, it is impossible to disregard all these rumors. The situation will be watched for any signs that Ching-kuo is, in fact, negotiating with the Communists. On balance, it seems highly unlikely that he would do so without his father's approval in any case, and Chiang Kai-shek's record makes such action even more improbable. In fact, any consideration of Ching-kuo should take due account of the fact that he is his father's son and gives every evidence of enjoying his full confidence. The removal of this support and confidence, as would happen in the event of President Chiang's death, might well reveal Ching-kuo as having little real power of his own. It is not impossible that he would quietly disappear from the scene.

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For the Ambassador:

Paul W. Meyer

Paul W. Meyer
Chief of the Political Section

Enclosure: *M*

Copy of letter dated August 28
from W. G. Hackler of the Tokyo
Embassy.

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Desp. No. 113

From Taipei (10-1-56)

American Embassy, Tokyo

August 13, 1956.

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Dear Paul:

You probably receive many items like this but I am sending it on to you for whatever value it may have. One of our local employees who has contacts with Japanese press men has sent me a note to the following effect:

According to confidential information received by a reporter of one of the big three newspapers here from a Foreign Office source, a high level Foreign Office official has heard that Chiang Ching-kuo sent one of his secret agents to Communist China on July 1 carrying with him an affirmative reply to the proposition from Peking on the subject of collaboration between Nationalist and Communist China (I take it this refers to a conference of "peaceful liberation"). This secret agent is expected to return to Taiwan via Tokyo and to do so at the time when press attention is diverted by the negotiations in Moscow. It is expected that an important conference will be held in Tokyo with certain high level Chinese Nationalists. The majority of high level Nationalist military leaders would defect: Peking has agreed to receive them and give them appropriate positions. The officer of the Foreign Office hoped that the informant's paper would be careful to watch what would happen in Tokyo and cover it wisely so that the Japanese public would be warned of its grave consequences. The Foreign Office official, for his part, thought that the emissary's arrival in Tokyo might be timed to coincide with the establishment in Japan of an unofficial Chinese Communist Trade Mission, the establishment of which has been approved by the Foreign Office. This Trade Mission is expected to be headed by Chang En-chuan, and Sun Ping-hwa, who came as deputy leader of the group of Chinese actors led by Mei Lan-fang, is expected to return to Japan as a member of it.

I have no way of evaluating this rumor but think you should have it for at least your information.

Yours sincerely,

/S/ Windsor G. Hackler
First Secretary of Embassy

Paul W. Meyer, Esquire,
American Embassy,
Taipei, Taiwan.

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